



DEPARTMENT OF GENERAL SERVICES

NEWS RELEASE

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New Business Approach Reduces Project Time by 25 Percent ~ Finance Building Construction Partnership Saves Commonwealth Time and Money ~

RICHMOND, VA – New public-private partnership debunks notion of government being slow by creating a 25 percent time savings for the renovation of the Finance building in Virginia's Capitol Square.

Renovation of the Finance building is now underway and is being implemented through a new process called the Public Private Education Facilities and Infrastructure Act of 2002 (PPEA). The Finance building will be the first state-owned building renovated and restored through a partnership between the Commonwealth of Virginia and the Trammell Crow Company from Washington, DC. This new method provides an alternative approach to the conventional procurement processes for construction and renovation of needed facility infrastructure projects.

On average a typical government capitol improvement project of this magnitude takes 24-to-30 months to implement due to the sequencing of events such as hiring an architect, designing the building, bidding for a contractor and then constructing the project. Under the PPEA process, because many of these tasks are occurring simultaneously, the Finance building will take 18-to-20 months reducing the project time by approximately 25 percent.

"Taxpayers are the winners here," said James T. Roberts, Director of the Department of General Services. "The PPEA process has enabled us to reduce the time needed to complete the Finance Building renovation and restoration, and this time savings translates to an overall reduction in project costs."

(MORE)

News Release Continued:***New Business Approach Reduces Project Time by 25 Percent***

The PPEA restructures the procurement process by establishing a partnership between the Commonwealth and the private sector. This creates a more collaborative relationship between the public and private entity fostering flexibility, creativity, and efficiencies in the development of specific contractual work requirements. It is too early to determine cost savings, but through this public-private partnership the private sector brings to the table expertise and resources that can supplement already extended public sector resources. Since an integral component of the PPEA process hinges on the private sector identifying opportunities and developing these opportunities into beneficial public sector projects, there is less administrative burden placed on the public sector which saves time and money. Instituting new approaches to managing government real estate assets is a growing trend and Virginia is one of a few states embarking on this new initiative.

“This is a great way to do business with the Commonwealth,” said Michael Locher, Project Manager for DPR Construction Inc. “The PPEA inherently fosters a collaborative contracting environment where both public and private sector business entities participate in the planning and execution of complex and specialized projects. More importantly, as a taxpayer, I am confident this new process will save the state money.”

Built in 1895, the Finance building located at the State Capitol within the boundaries of Capitol Square, has been described as a symbol of Virginia emerging from the Reconstruction era after the Civil War. The renovation and restoration includes re-pointing of brick, repairing cornices, and preserving original elements of the building such as the main lobby grand staircase, handmade mosaic tiles, and wood windows. The 72,500-square-foot Finance building will also have a 51,000-square-foot addition constructed in the rear of the building. State tenants that have occupied the building through its history have included the Virginia State Library, Supreme Court of Virginia, and Museum of Natural History. Once renovation is complete it will house the office of the Lieutenant Governor and the Department of Agriculture and Consumer Services. This \$26 million project is slated to be finished in the summer of 2005. The renovation of the Washington building will be the second PPEA project in Capitol Square and will begin in the fall of 2005 and completed December 2006.

Trammell Crow Company is serving as the Developer, DPR Construction, Inc. is the General Contractor, and Ballou Justice Upton Architects is the Project Architect for the Finance building and extension. Trammell Crow Company is one of the largest diversified commercial real estate service companies in the United States with offices across the nation and in Canada, Europe, Asia and Latin/South America. DPR Construction, Inc. is one of the nation's leading commercial contractors/construction managers. With offices across the United States, DPR specializes in technically challenging and sustainable projects and has been recognized for its innovative approaches to complex projects. Ballou Justice Upton Architects, a Virginia architectural firm, has nearly 100 years of experience in multi-disciplined efforts in expansions, additions and renovations.

For more information about construction and renovation of the Finance building or improvements in Capitol Square log on to www.dgs.virginia.gov.

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